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ORIGINAL

May 19, 2000

RECEIVED

Via Hand Delivery

MAY 19 2000

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

ORIGINAL

*Re: Ex Parte Presentation in CC Docket No. 98-141, ASD File No. 99-49*

Dear Ms. Salas:

Pursuant to Section 1.1206 of the Commission's rules, the Competitive Telecommunications Association ("CompTel") hereby gives notice that on May 18, 2000, its representative, and representatives of CompTel member CapRock Communications, met with Rebecca Beynon, Legal Advisor to Commissioner Furchtgott-Roth. In our meeting, CompTel explained its position that the Commission should reject SBC's request for a waiver, or modification, of its merger conditions in the above-captioned proceeding. CapRock Communications explained how the proposed Pronto architecture could negatively affect its efforts to compete in the integrated voice and data market with SBC. CompTel, also explained that, if the Commission did grant SBC's request, it should also impose appropriate conditions.

During our meeting, materials were distributed; copies of these materials are attached. Representing CapRock Communications were Lucy Huang and JoAnn Russell. Representing CompTel was the undersigned attorney.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jonathan Lee".

Jonathan Lee  
Vice President,  
Regulatory Affairs

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# **SBC's Project Pronto Impacts**

## **CapRock Telecommunications**

Lucy Huang - Director of Data Services

JoAnn Russell - Director of LEC Relations

May 17, 2000



# CapRock Telecommunications Business Model

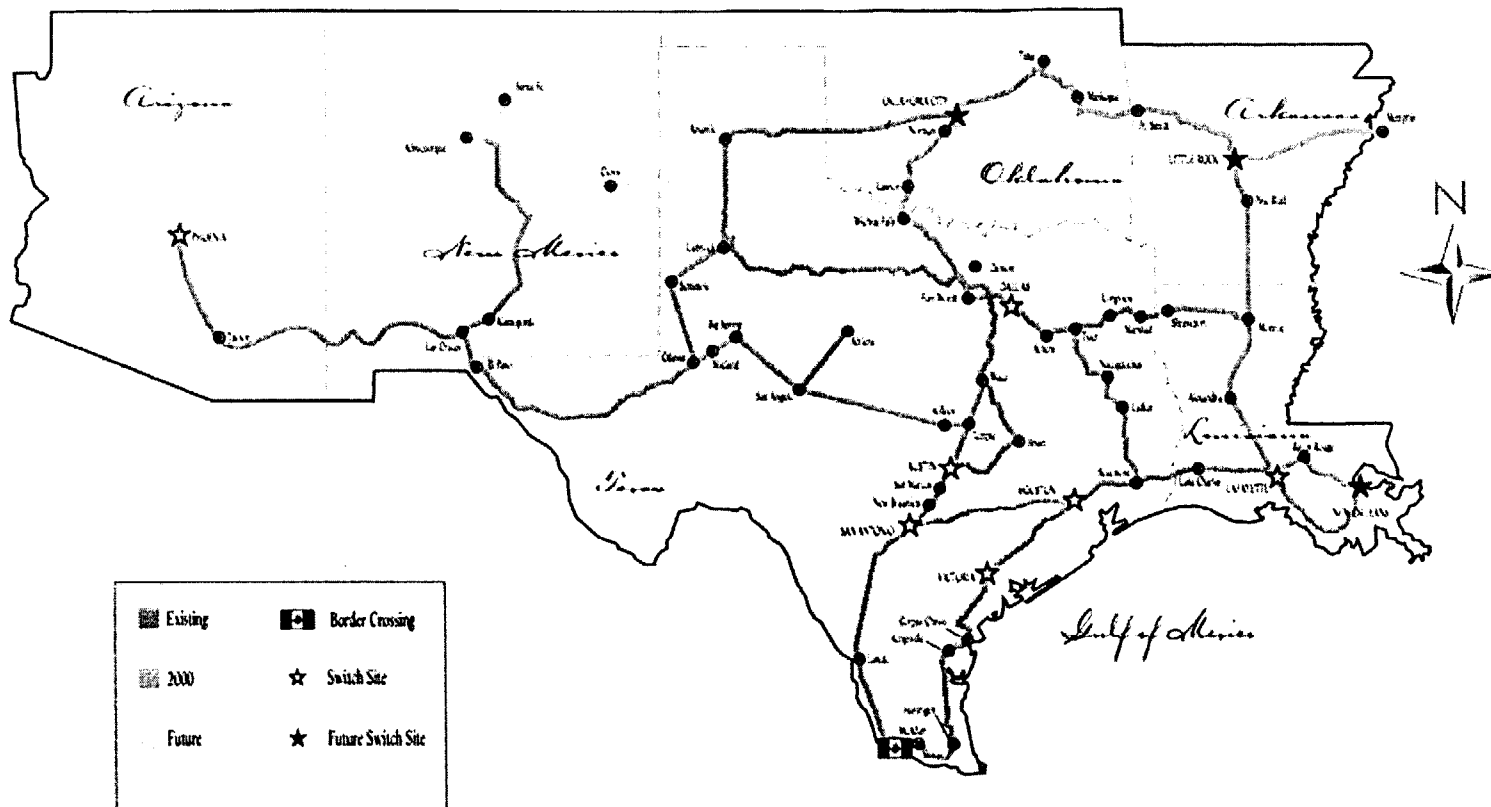
- Facilities-based integrated communications provider (ICP) offering local, long-distance, Internet, data and private line services to business customers in the southwest United States
- 7,500-mile fiber network, as well as voice and data networks, throughout Texas, Louisiana, Arkansas, Oklahoma, New Mexico and Arizona
- 200 voice and data central office collocations planned for 2000
- 48 addressable markets throughout 6 state service region
- Plan to offer facilities based DSL and VoDSL services to both businesses and consumers



# CapRock Telecommunications Objectives

- To become the dominant provider of integrated telecommunication services to businesses in the Southwest region of the United States
- To establish itself as the premier wholesale provider of services over the most extensive alternative fiber optic network in the Southwest
- To provide superior customer service to our customers who desire simple bundled plans from a single provider

# CapRock Telecommunications Coverage Map





# SBC's Project Pronto Impacts to CapRock

1. Project Pronto does not address CapRock's ability to provide voice and data over a single loop
  - Architecture prohibits CapRock from offering both lifeline voice service and DSL service (including derived VoDSL channels)
  - Architecture only allows line sharing of SBC's lifeline voice with the unbundled DSL element
2. Significant reduction of original customer base
  - Pronto will significantly distribute the customer base of each host central office affected to multiple RTs
  - Reduce business potential of CapRock's current and planned capital investments
  - Customer base reduction may be as high as 50%
3. Limited DSL functionality due to selected platform and SBC's limited offerings
  - ADSL only; does not fulfill CapRock's business customer focus
  - Limited configuration options (ATM Quality of Service of Unspecified Bit Rate only and single PVC limitation) prohibit CapRock from offering advanced service features and VoDSL



# SBC's Project Pronto Impacts to CapRock

4. SBC's ownership of advanced services equipment will impact CapRock's ability to manage/administer end-users, plan new products, and expand service availability
5. Mixed architecture will present CapRock with significant platform and operational management complexities
  - SBC will only offer unbundled DLEs out of the 13,000 RTs planned under Project Pronto
  - No unbundled options are available at approximately 30,000 existing SBC RTs where conversion to the Pronto architecture may not be planned
  - CapRock will deploy own DSL equipment at planned central office collocations
  - Complex and costly management of different platforms and service delivery models

# FCC should reject SBC's request

- Proposed Pronto design is not necessary to accelerate advanced services deployment and discriminates against unaffiliated providers
  - Duplicating existing voice functionality through NGDLCs vs. remote DSLAMs costs more than double.
  - Deployment plan is not economic, but strategic; and inconsistent with separate affiliate obligations.
  - Separate affiliate would receive over 40,000 “collos” in 3 years
    - Impossible for a competitor to receive this level of service



# Recommended Conditions

1. *Impact:* Project Pronto does not address CapRock's ability to provide voice and data over a single loop

*Proposed Conditions:*

- ✓ Access to original loop from host location to customer premise for the remainder of the plant's economic life.
  - ✓ Ability to provide CLECs lifeline voice and DSL services over proposed NGDLC architecture at the same cost as that of the original unbundled loop.
  - ✓ Collocation and implementation procedures/guidelines must be available to CLECs on an equal basis at all RTs (new and existing) for the purpose of CapRock providing both lifeline voice and DSL services over one single unbundled sub-loop. SBC must allow for cage-less collocation inside RT cabinets, CEVs, or huts.
2. *Impact:* Significant reduction of original customer base
    - ✓ If the proposed conditions specified for *Impact (1)* are not imposed on SBC, CapRock's original customer base will be reduced significantly.

# Recommended Conditions

3. *Impact:* Limited DSL functionality due to selected platform and SBC's limited offerings

*Proposed Conditions:*

- ✓ The equipment must be capable of supporting all types of xDSL services including SDSL, ADSL, G.Lite, IDSL, and HDSL2.
- ✓ SBC must offer all equipment configurations (additional ATM QOS, multiple PVCs) to support CapRock's enhanced service features and VoDSL services
- ✓ SBC must establish ongoing and regular technology and platform planning procedures with the CLEC community on a non-discriminatory basis



# Recommended Conditions

4. *Impact:* SBC's ownership of advanced services equipment will limit CapRock's ability to manage and administer services and end-user

*Proposed Conditions:*

- ✓ Appropriate performance standards for provisioning and service. Installation and performance metrics should follow current UNE delivery and performance standards.
- ✓ SBC provides CLECs with access to network management systems for the purpose of viewing real-time service configuration and performance.
- ✓ OSS systems to enable flow-through ordering submission and provisioning.

5. *Impact:* Mixed architecture will present CapRock with significant platform and operational management complexities

*Proposed Conditions:*

- ✓ SBC to establish procedures and regular interactive planning forums to allow CLECs, on a non-discriminatory basis, to provide service deployment input pertaining to conversion of existing RTs to Pronto configuration.



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James K. Smith  
Executive Director-  
Federal Regulatory

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Suite 1100  
Washington, D.C. 20005  
Phone 202 326-8883  
Fax 202 408-4801

ORIGINAL

May 11, 2000

MAY 11 2000

OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

RE: **Notice of Ex Parte Presentation**  
In the Matter of Applications for Consent to the  
Transfer of Control of Licenses and Section 214  
Authorizations from Ameritech Corporation,  
Transferor to SBC Communications, Transferee  
CC Docket 98-141

Dear Ms. Salas:

On Wednesday, May 10, 2000, Marian Dyer, Rod Cruz and myself from SBC Communications met with Carol Matthey, Anthony Dale, Johanna Mikes and Jake Jennings of the Commission staff to discuss the various broadband service configurations set forth in Diagram 1 and Diagram 2, attached hereto. Diagram 2 is a draft proposal depicting conceptually how an integrated voice and data service might be configured using a single subloop to the end user's premises.

In accordance with the Commission's rules, an original and one copy of this notification are submitted herewith.

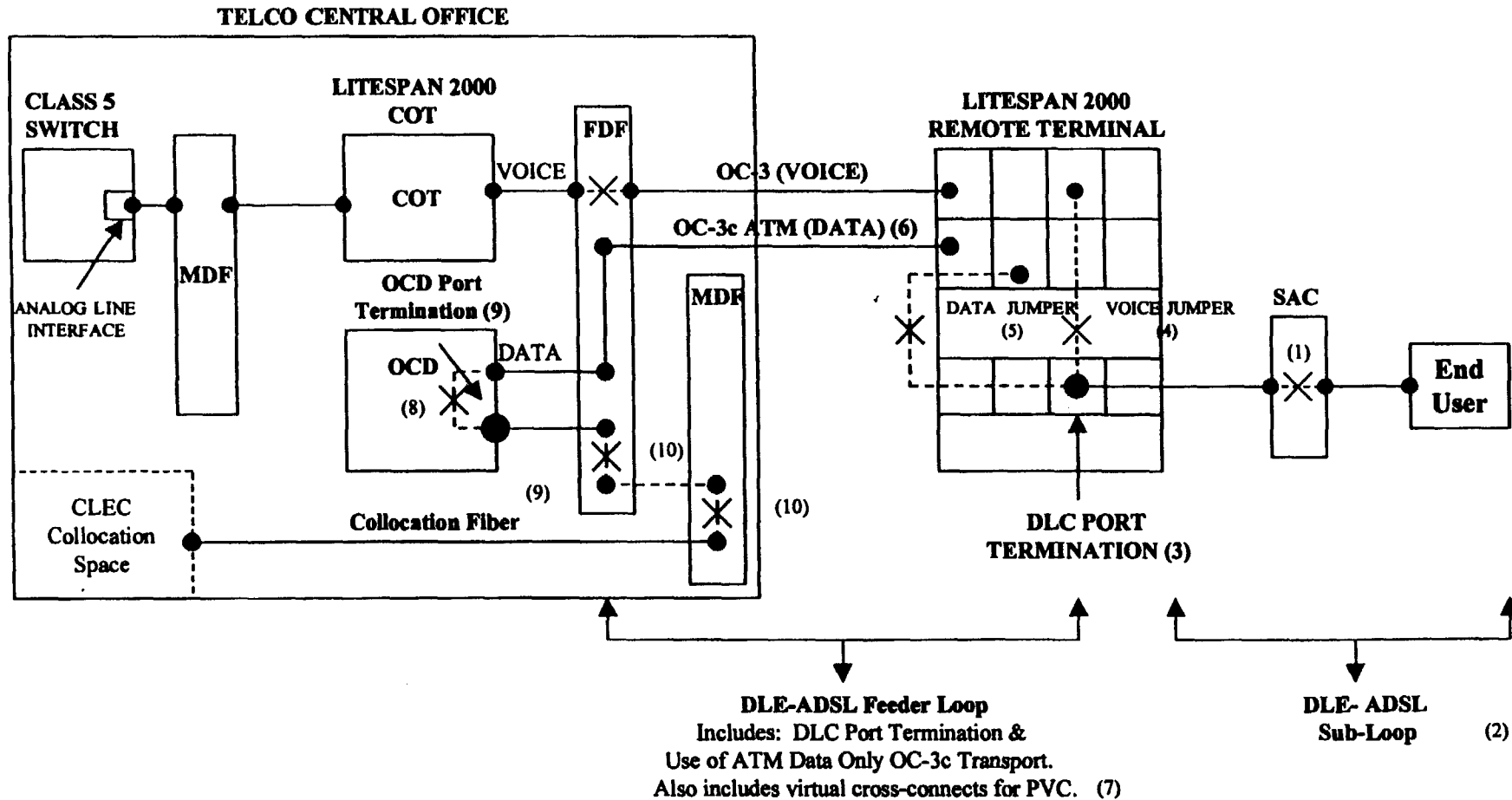
Sincerely,

Attachments

cc: Ms. Matthey  
Mr. Jennings  
Mr. Dale  
Ms. Mikes

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# **DIAGRAM 1:** **BROADBAND DATA SERVICE** **(LINE SHARED OR DATA ONLY)**



(1) DLE ADSL SAC Cross Connect

(2) DLE-ADSL HFPSL

(3) DLC Port Termination

(4) DLC Virtual Circuit - Voice

(5) DLC Virtual Circuit - Data

(6) OC-3c Dedicated for Data

(7) DLE-ADSL Feeder

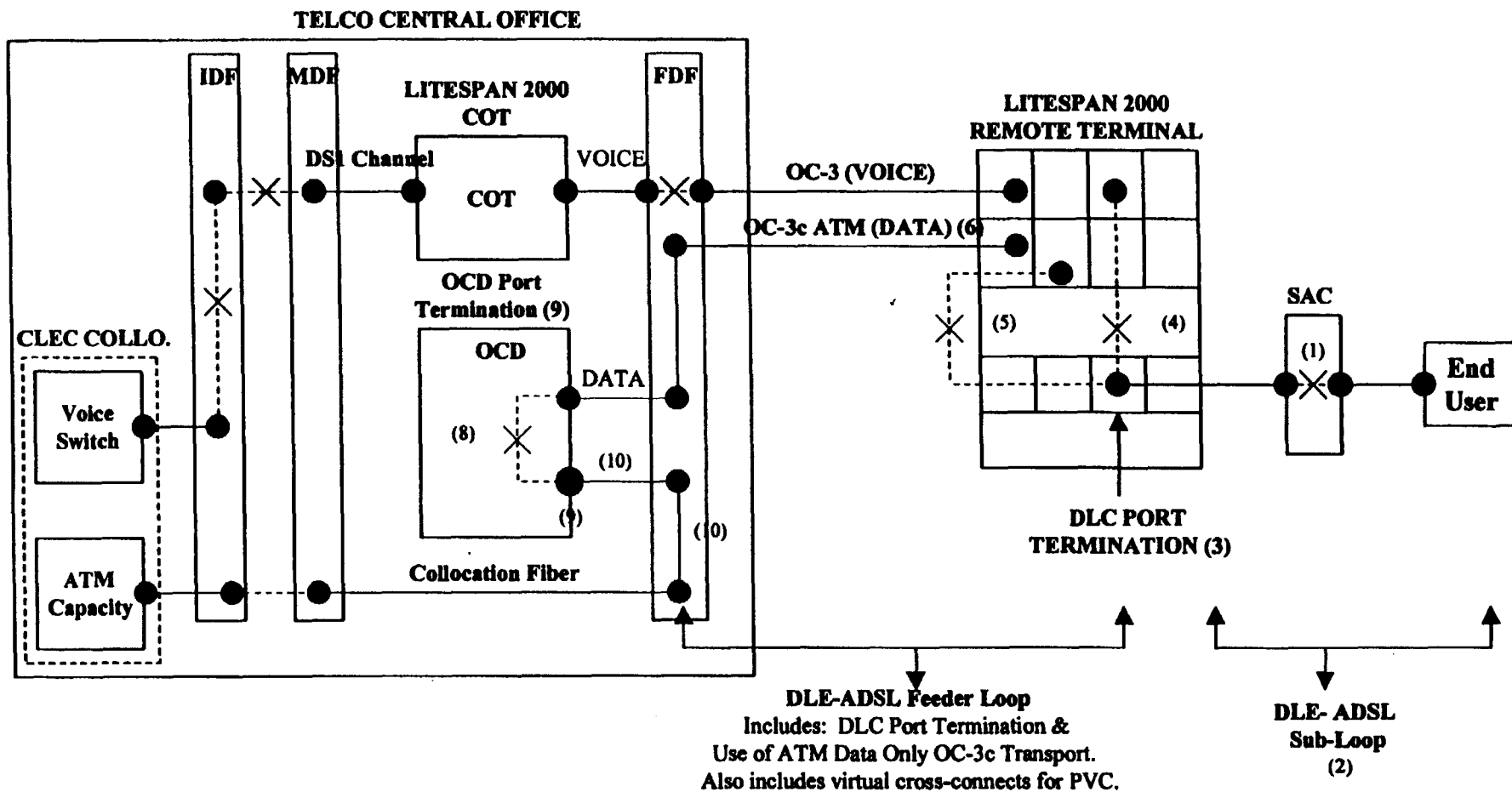
(8) OCD Virtual Cross Connect

(9) OCD Port Termination (OC-3 or DS3)

(10) OCD Cross-Connect to Collocation (or UDT)

**DRAFT DOCUMENT**  
**FOR DISCUSSION PURPOSES ONLY - SUBJECT TO CHANGE**

## DIAGRAM 2: INTEGRATED VOICE & DATA (DRAFT)



(1) DLE ADSL SAC Cross Connect

(2) DLE-ADSL HFPSL

(3) DLC Port Termination

(4) DLC Virtual Circuit - Voice

(5) DLC Virtual Circuit - Data

(6) OC-3c Dedicated for Data

(7) DLE-ADSL Feeder

(8) OCD Virtual Cross Connect

(9) OCD Port Termination (OC-3 or DS3)

(10) OCD Cross-Connect to Collocation (or UDT)

**DRAFT DOCUMENT**  
**FOR DISCUSSION PURPOSES ONLY - SUBJECT TO CHANGE**